

PUNTO. DESIGN TRAINING CENTER FOR SMALL-SIZED BUSINESS OWNERS
AND ENTREPRENEURS IN THE CENTRAL AMERICAN REGION

By

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Abstract

Proposed is a thesis project to develop and plan aspects of *punto.*: a design training center geared to advising start-up and small businesses in the Central American region. The center will have a mission of: (a) directly engaging with small firms to develop and market attractive, higher value offerings to targeted local, regional and international markets; and (b) establishing a network community for training and collaboration among such small businesses, their industry partners, exporters and investors. Relevant literature is presented. Models for *punto.*'s training workshops are sketched out as the starting method for implementation of the project, in order to test the efficacy of design thinking principles to promote small business innovation and collaboration.

Table of Contents

1. Introduction.....	1
1.1 Central America’s general information	1
1.2 Problem Statement.....	2
1.3 Relevancy of project	3
2. Research process	4
2.1 Research question	4
2.2 Research scope and literature review	5
2.2.1 Small-sized businesses and current training initiatives	5
2.2.2 Design in business as key to an integrative mindset.	7
2.2.3 Co-creation and transformation design.	8
2.3 Research methods and constraints	10
3. Research findings	11
3.1 Competitive analysis	11
3.2 Interviews: Identifying user needs.....	13
3.3 Persona development.....	14
4. Proposed solution	17
4.1 Design training center for small-sized businesses: <i>punto</i>.	17
4.2 Stage 1: Design Planning	18
4.2.1 Day 1: Think Design	19
4.2.2 Day 2: Do Design.....	22
4.2.3 Day 3: Be Design	24
4.3 Next stages	27
4.4 Marketing plan summary.....	28
4.5 Preliminary financials	29
5. Conclusion.....	32
6. References	33
7. Appendices.....	35

1. Introduction

1.1 Central America's general information

The Central American region has an area of 524,000 square kilometers (202,000 square miles), which is almost 0.1% of the Earth's surface, according to Wikipedia. (See Figure 1-1)

Geographically, it consists of seven countries. From north to south: Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama. The region is rich in cultural heritage and biodiversity. Infrastructure standards and economic growth varies from country to country. Also, each country's internal distribution of resources is unequal and becomes evident when visiting the different regions of each state.



Figure 1-1: Central America's location in the American continent.

This thesis project explores some of the current initiatives that work towards development in the region, particularly in Honduras and Panama. The project aims to close the existing design gap between small businesses of the Central American region and potential users, markets or investors, (see Figure 1-2). The proposed solution will be presented in the form of a series of workshops that emerge from a design-training center model – from now on referred to as *punto*. – The ultimate goal of the project is to reduce this gap and at the same time, promote collaborative networks among

complementary actors and firms.

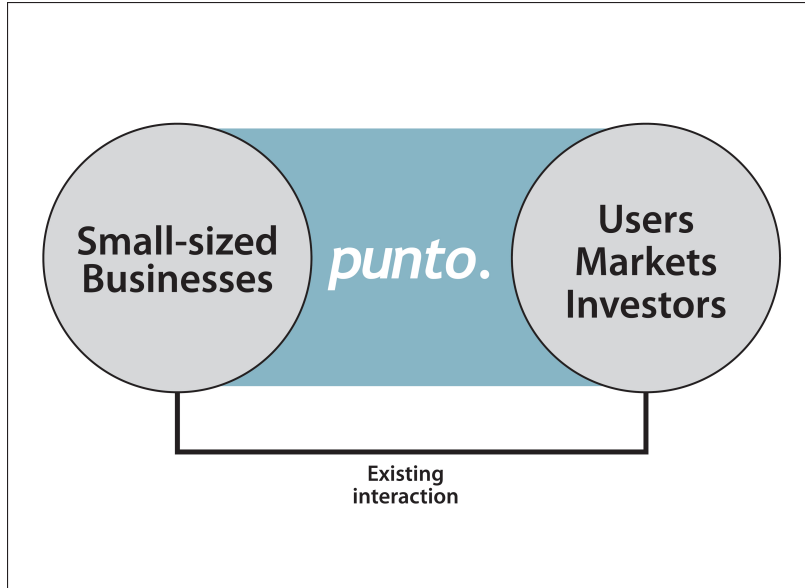


Figure 1-2: Existing interaction and design gap to be addressed by *punto.*'s workshops.

1.2 Problem Statement

Globally, small-sized businesses tend to have a low survival rate. According to Samuelson and Nordhaus, the average life of a small-sized business is six years, and more than 30% do not make it to the third year. To gain an understanding of this situation in Latin America, we can take a look at research conducted by the Argentinean Association for the Development of Small and Medium-sized businesses where results affirm that only 7% of entrepreneurial efforts make it to their second year, and only 3% make it to the fifth year of life.

Failure factors for small-sized businesses will vary depending on the context they occur and the perspective from which they are approached. Nevertheless, there are organizations conducting investigations in an effort to discover patterns that might explain the reasons for the lack of success of these businesses. *CONAMYPE* (*National*

Commission of the Micro and Small-sized Business) from El Salvador, attributes failure to lack of attention and training on five main areas in Central American small-sized businesses: planning/marketing, management, quality control, production and operation.

Moreover, as Figure 1-3 shows, low adoption and awareness about technologies of information/communication keep this sector of the economy with uncountable exposure and growth limitations.

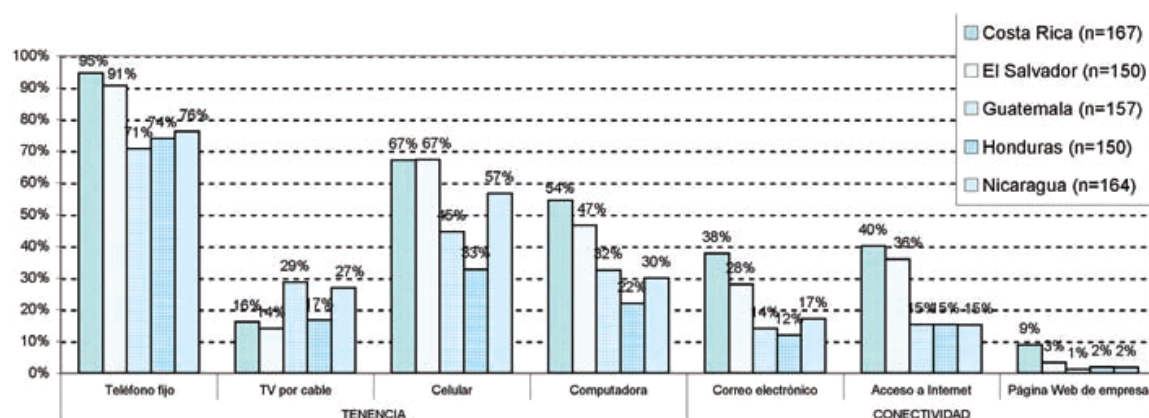


Figure 1-3: Regional adoption of technologies of information. *TICs en las PYMES de Centroamérica, impacto de la adopción de las tecnologías de la información y la comunicación en el desempeño de las empresas.* Monge, Alfaro, Alfaro.

1.3 Relevancy of project

According to *CEPAL (Economic Commission for Latin America and the Caribbean)* small-sized businesses generate up to 50% of the Central American region's GDP. Therefore, it is important to figure out ways to help improve the success possibilities of such companies in the marketplace.

The importance of the project lies in its potential for improving the functionality value and marketability of commercial offerings, as well forms of cooperation to improve the economic viability of developing nations. Currently, there are a number of NGOs,

joint independent projects and government initiatives that provide small businesses with training and consulting in areas such as: productivity, finance, exports, and other technical support. Some of these institutions also arrange periodical meetings between entrepreneurs and investors, facilitating potential business opportunities.

While helpful projects are presently implemented, there is an unfulfilled opportunity for the creation of integrated strategies to develop added value and economic growth through tailored design training, differentiation and innovation.

2. Research process

2.1 Research question

How can a design training center model be fashioned to serve the development needs and growth aspirations of start-ups and small-sized businesses in Central American nations?

This project will address the research question by creating a design-training model that does two things well: A. Serves the immediate design service and brand strategy needs of small-sized Central American companies, and B. Creates a community of "design thinking" practice among such firms enabling them to heighten the value of their offerings, advance their growth aspirations, and, in turn, improve the economic fortunes of the region.

2.2 Research scope and literature review

Research for this thesis project covers three main areas: currently existing organizations that serve businesses or industry communities, different approaches to better integrate design and business, and collaborative practices to achieve business or industry goals.

Countries included in this research are Honduras and Panama, because available contacts and information resources were the most accessible for the researcher in these nations. Additionally, regional projects were analyzed to gain a broader scope of Central American innovation initiatives.

2.2.1 Small-sized businesses and current training initiatives

Understanding the current situation and relationship between these elements was key to the development of this thesis project. Research was conducted according to levels of development for small business, and different kinds of organizations that currently work with these businesses. Constraining the number of entities researched helped better exemplify the design process and meet time limitations.

Information concerning small businesses, NGOs, private institutions and joint projects that work towards advancing entrepreneurs into the marketplace was acquired in the organizations' websites, by sending questionnaires via email to individuals that work in such institutions, and via Skype video call interviews. Refer to the Appendices section of this document to find the material collected.

Honduran institutions such as *FIDE, Investment and Exports* (<http://www.hondurasinfo.hn/>) and *FPX, Federation of Agro-Exporters of Honduras* (<http://www.fpxhn.net/>) have developed programs that provide support and facilitate contact opportunities for small businesses in their efforts to gain access to potential markets, with some competitive advantage. There are also projects like *First Tuesday, Honduras* (<http://www.firsttuesdayhonduras.com>) that intend to provide a networking platform through seminars, workshops and meeting events between entrepreneurs with creative business propositions and potential investors.

In Panama, several government projects are targeting rural areas of the country. Research was conducted on the project *Fortalecimiento Contigo Mujer Rural* (Strengthening You, Rural Woman) where assistance is provided in basic administrative topics. Also, micro loans and tool donations are granted, organizations are legally constituted and workshops on artisanal improvement and group work are imparted. Moreover, this project's second stage digs deeper into topics such as project development, accounting, artisanal development, managerial planning and administration of resources.

It is important to mention that Central America as a region is constantly searching for alternatives to improve its socio-economic situation. Since 2010, *Centroamérica innova* (<http://www.centroamericainnova.com/>) has entered the region as a project financed by the Spanish Agency of International Cooperation for Development. The project aims to develop innovation awareness among small and medium sized businesses, filtering ventures with high potential into a training process that delivers standardized innovation tools. The project was launched in the Honduran market this past month of

February, and will be implemented with key partnership and collaboration of *FIDE* (mentioned earlier).

Furthermore, it was relevant for this thesis project to review and contact companies such as *Ten Thousand Villages* (<http://www.tenthousandvillages.com/>) and *Frieda's* (<http://www.friedas.com/>) since they are good examples of North American entities that have shown an interest in fair trade for artisans in developing countries and specialty produce farmers, respectively. Understanding their operational structure and motives to establish themselves as businesses based on collaborative relationships with niche producers, provides evidence of latent opportunities for this thesis project.

2.2.2 Design in business as key to an integrative mindset.

To approach this matter, the research process focused on understanding and obtaining relevant information in regards to the design process and its importance for successful organizations. By studying communication approaches between design and business, this thesis project aims to provide the tools necessary for the understanding and implementation of integrative thinking in small businesses as a vital element in their everyday practices.

Research was carried out on integrative-design thinking and the importance of its implementation within businesses. It is vital for the project purposes to convey the essential role integrative thinkers play in multi-disciplinary teams, reconciling different approaches to consolidate the team's work into integral solutions. *The Opposable Mind*,

by Roger Martin was a good starting point for this subject, offering a practical description on the thinking patterns of integrative mindsets.

On the other hand, communicating the relevance of design thinking needs to be translated into a language business people can understand and appreciate. This particular topic is well represented in *Growing a Business*, by Paul Hawken where he narrates views on business, design and innovation from his perspective as a former entrepreneur and co-founder of Smith & Hawken. His insights are valuable assets that exemplify how individuals with a business mindset can drive business growth by embracing change and searching for innovative solutions.

2.2.3 Co-creation and transformation design.

These aspects were investigated to illustrate the growing relevance and importance of multi-disciplinary teams, and to present the role of designers as facilitators and guides towards design thinking mindsets, rather than imposers of artistic opinions. The understanding obtained from these particular topic areas was key in the development of the workshop models presented in this thesis project.

As stated in the article *Helping Business Managers Discover Their Appetite for Design Thinking* by Liedtka and Ogilvie, published in the Design Management Review, “Customer co-creation enrolls customers to participate in creating the solution that best meets their needs. This involves asking and listening.” Moreover, the article reaffirms the latent need to help translate design thinking into concrete tools and terminology business

owners (or managers) can understand and apply in their organizations, resulting in better solutions for their customers.

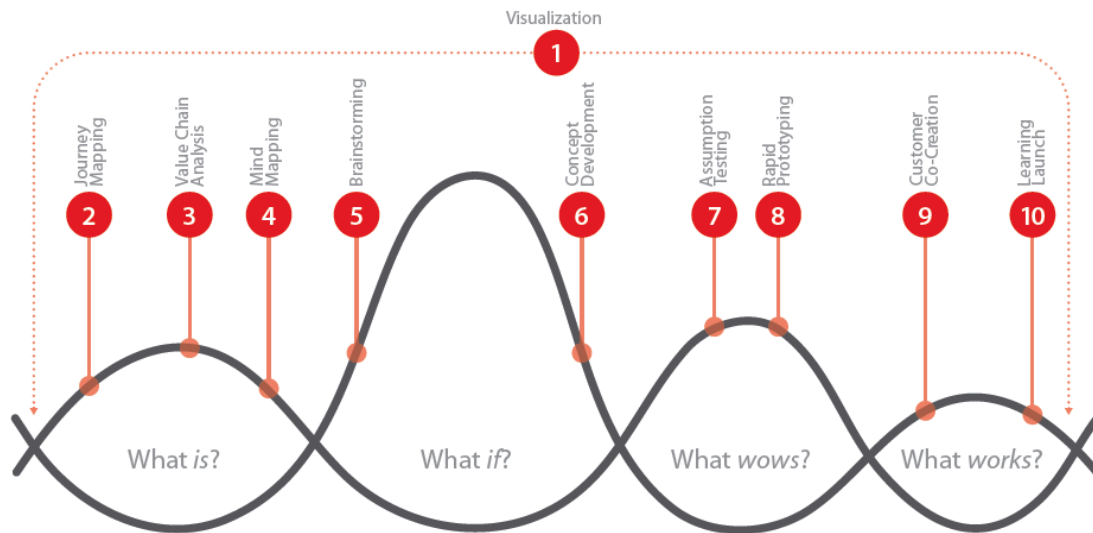


Figure 2-1: Linear model of the design-thinking process created by Jeanne Liedtka and Tim Ogilvie.

For the purpose of this thesis project, communicating design-thinking tools to business owners and entrepreneurs (see Figure 2-1) was approached as an integrative co-creation effort. Throughout the training model creation for *punto.*, designers and participants were placed in collaborative roles to reach the desired goals for each module and stage in the process.

At the same time, *Transformation Design*, highlighted in the Design Council's RED PAPER 02, was investigated as it complemented co-creation in *punto.*'s mission of collaborative design innovation techniques. As read in the paper "A transformation design process can provide initial steps towards changing the culture, aligning thinking and focusing around the end user."

Researched material on co-creation and transformation design strengthened *punto.*'s mission statement on providing a service that trains participants to permanently incorporate design thinking processes into their businesses, rather than just providing immediate but temporary solutions.

2.3 Research methods and constraints

To answer the research question, I investigated and contacted existing small businesses entrepreneurs and the organizations that work with them. My goal was to gain an understanding on their current modes of operation and working relationships.

Interviews and surveys were carried out with participants and contacts in Honduras and Panama with the purpose of creating personas to better understand small business entrepreneurs, their needs, operations, goals and current competencies. Results were documented appropriately. (Refer to the Appendices section).

Technical and/or logistical difficulties arose due to geographic distance between the researcher and researched parties. To diminish possible issues, communication and collaboration with key organizations and small business owners was of prime importance since the conception of the project.

The solutions presented in this document are possible scenarios where the identified personas interact and experience the business model through a series of workshops. Validation of the model was recorded in the form of a field expert analysis and critique.

3. Research findings

Information was gathered from several sources including organization websites, video interviews, email surveys and questionnaires. Findings from the research process were analyzed with relevant breakthroughs presented in this chapter.

3.1 Competitive analysis

Given that the purpose of the presented thesis project is to create and implement *punto*. in a real life setting, it was imperative to have an understanding of on-going projects and organizations that currently work with similar training programs for small-sized businesses and/or entrepreneurs. The findings were particularly useful because they clarified the differentiation qualities, facilitating opportunities of better model creation for *punto*.

Information about a total of five institutions and programs was gathered. Each initiative was investigated, allowing characteristics of the training programs to be clustered in a comparative matrix of competitors. In order to analyze relevant aspects of potential market competition, training programs were broken down into target users, tools used to implement the programs and topics covered during training. (See Figure 3-1)

Furthermore, user types of researched institutions revealed a prime interest in small and medium-sized businesses while entrepreneurs, cooperatives and rural producers shared a secondary position. Investigation regarding tools to implement training programs exposed that the most common method (utilized by all organizations) was a workshop/seminar model. Also, a very widespread tool was network creation, while

automated system implementation for follow-up purposes was only offered by one of the projects. Lastly, innovation was the most popular training topic followed by exports and entrepreneurship themes.

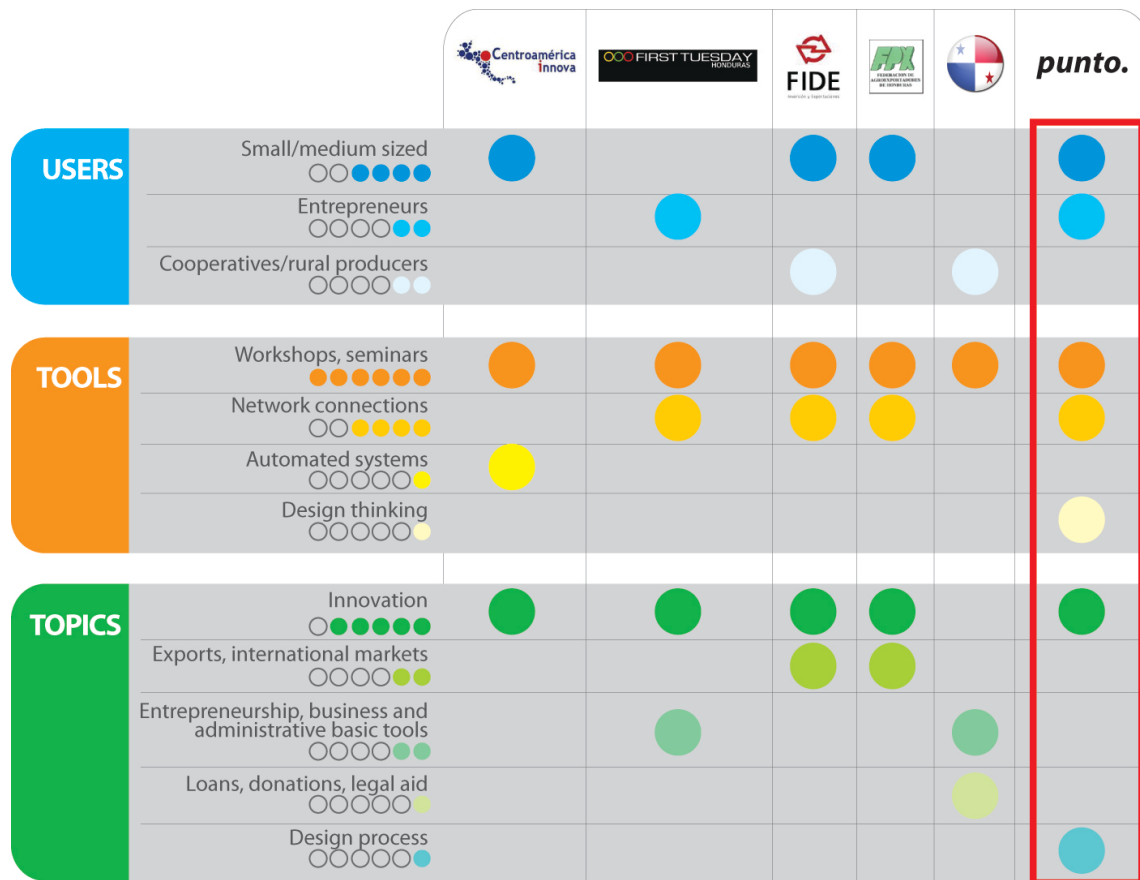


Figure 3-1: Competitive analysis table. Overall implementation of explored areas is represented by filled dots under each description.

Finally, after the aforementioned considerations, *punto.*'s positioning within the market aims to be in line with current trends: small businesses and entrepreneurs as target users; workshops, seminars and networking as tools; and innovation as an offered training topic. At the same time, *punto.* will differentiate itself by offering new unexplored tools through design thinking methods. Topics on innovation will be

practiced and delivered on a hands-on adoption of the design process, allowing participants to become active problem solvers in advancing their objectives.

3.2 Interviews: Identifying user needs

Video interviews, as well as email surveys, were conducted in order to understand small-sized business owners' perspective on motivation, concerns and mission statements about their ventures. It was also important to ask them about goals they would like to accomplish in a five-year period of time. Insights served as an important guide in the creation of a systematic workshop model, to be implemented as the starting point of *punto.*'s design training process. Furthermore, analyzing future goals aided in drafting subsequent workshops *punto.* will offer in the following stages of participant's business development.

In addition to user interviews, conversations were carried out with managers and directors of on-going projects and organizations. Inquiries were made about network connection systems (if existent) and how they were implemented; details about the scope, reach and topics of their workshops were identified. Also, it was essential to figure out if a follow-up method was in place in order to better understand the level of involvement with participants after they attended the workshops.

Feedback was recorded, analyzed and edited to develop workshop models, personas and also for presentation purposes. Due to geographic constraints, interviews took place on a video-call basis, where conversations were targeted to explore three main

areas (See Figure 3-2). Participants were allowed to elaborate on their answers, providing further insights about their experience as entrepreneurs.



Figure 3-2: Interview analysis table. Condensed compilation of insights gathered through video-call interviews, conducted with small-sized business owners. The link to the edited interviews video can be found on the Appendices chapter of this thesis project.

Overall, feedback from stakeholders served to develop *punto.*'s offerings in such a way that the project aims to complement existing organizations, filling identified gaps in on-going initiatives. Interviews were also essential in reinforcing *punto.*'s service positioning strategy and features differentiation, from those of the competition.

3.3 Persona development

As described by Goodwin in *Designing for the Digital Age*, "A persona encapsulates and explains the most critical behavioral data in a way that designers and

stakeholders can understand, remember, and relate to... personas use storytelling to engage the social and emotional aspects of our brains.”

Before embarking in *punto.*'s design process and workshop model specifications, it was important to understand the types of users the presented thesis project aspires to assist. After careful analysis of the competition's characteristics, and having obtained an understanding of the user needs from interviews, two persona user types were developed: the beginner entrepreneur and the small-sized business owner. (See Figure 3-3)



Figure 3-3: Persona user types that will be targeted by *punto.*'s design training process.

There is a difference in the business stages of development between the two personas. On one hand, the beginner entrepreneur has a full-time job and at the same time profits from his/her passion or hobby on the side. This persona type does not have a formal business established, is just starting to take steps towards defining a business model or might be on his/her first year of operation. They are eager to start their own ventures on the right foot and gain financial independence doing something they enjoy.

On the other hand, small-sized business owners have more experience in the market, know more about their competition and might have an understanding of who their target customers are. This persona type depends on his/her business's income in order to make a living; there is a full-time dedication invested in their ventures. Their businesses are formally constituted, but have reached a point where differentiation and better market positioning are needed for them to compete successfully. They want to take their ventures to the next level.

Both user types come from professional backgrounds and have experience (formal or informal) working in the field they wish to develop. Relating to these personas gives this thesis project an opportunity to understand participants' needs and provide solutions that satisfy them.

Throughout the development of this project, it was important to keep in mind who they were, where they came from and what goals they wanted to reach. Personas allowed filtering during the workshop modeling process, and *punto.'s* design training model was analyzed through their perspective.

4. Proposed solution

4.1 Design training center for small-sized businesses: *punto*.

From the research findings of this thesis project, we can conclude there is current training being provided for small-sized businesses in the following topics: productivity improvement, financial consulting and access to funding, exporting opportunities and tendencies, and foreign market certifications.

As mentioned in the interview held with Liliana Sanchez, Director of the Export Promotion Division at FIDE, existing organizations and projects have begun to identify the lack of design and innovation training as a weakness in their programs, and are beginning to take steps towards filling this gap. So far, training on innovation is being introduced in the region as a standardized process; there is an unexplored opportunity for a customized design-training program that develops user understanding and business differentiation.

punto. aims to take advantage of this opportunity by training and empowering small-sized business owners and entrepreneurs to identify problems and develop strategic solutions through design-thinking methods. The project's training program will implement a user-centered approach, resulting in the improvement or development of a relationship between the business's product/service and its users. In addition, workshop participants will gain access to extended design guidance and networking through *punto.*'s website community of trained businesses.

The training program at *punto.* will consist of three different stages: 1- Design Planning, 2- Development, and 3- Networking. (See Figure 4-1) For the purpose of this thesis project and due to time limitations, only the first stage will be presented in detail.

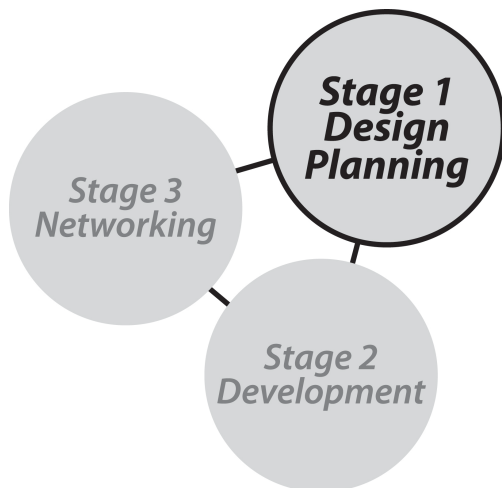


Figure 4-1: Overview of *punto.*'s training program.

An outline of the second and third stages will be presented as well. Within each stage, different capabilities will be developed to meet specific needs.

Finally, it is important to be reminded of our persona user types created in Chapter 3.3

(Lorena and Carlos), for this project was developed in order to satisfy their needs.

4.2 Stage 1: Design Planning

The design planning stage aims to create a better understanding on design concepts and practices among business owners. It gives entrepreneurs access to basic design tools and methods they can implement in their on-going search for service and product innovation. A journal-style work booklet will be provided to participants where they will record their findings, thoughts, and exercises experienced throughout the stage.

Stage 1 is designed to take place in a period of time of three days, in which participants will be encouraged to: Think Design, Do Design and Be Design. (See Figure 4-2)

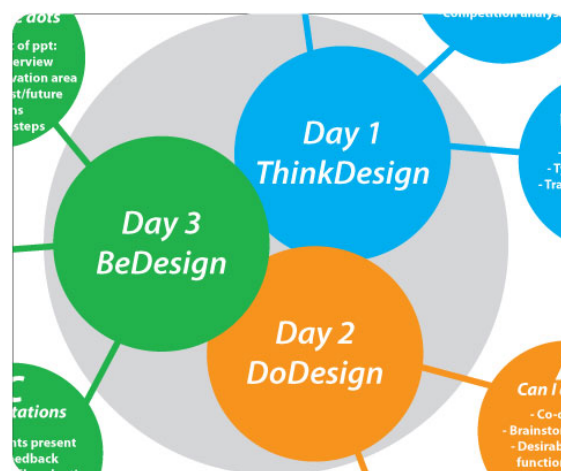


Figure 4-2: Overview of *punto.*'s stage one workshop.

This stage is meant to be an “eye-opener”, or an introduction, to the design thinking mindset and the world of possibilities it has to offer in the business realm. But most importantly, it empowers business owners to be an active part in the design process in order to transform and innovate their ventures.

The following sections explore each day of the workshop model in detail, presenting the training topics and activities to be explored by participants. The model also provides an overview of expected outcomes or objectives for each day of the workshop.

4.2.1 Day 1: Think Design

The first day of *punto.*'s training program (see Figure 4-3) will guide participants in an exploration of their businesses and their users. Also, it will introduce design and the different types of innovation that can be implemented in their organizations.

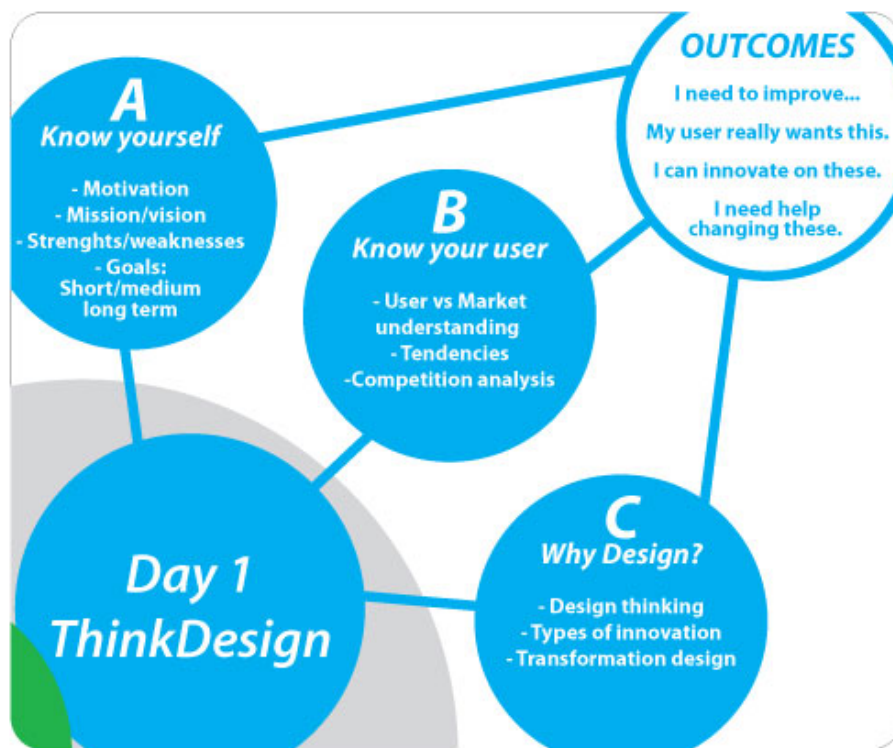


Figure 4-3: Day 1. Think Design. The workshop begins with a general business analysis and an introduction of design as a tool to accomplish innovation.

Module A: Know yourself. Beginner entrepreneurs (like Lorena) or small-sized business owners (like Carlos) might have a pretty good idea about their place in the market, or they might have never thought about basic questions that lay in the root of successful ventures.

Participants will define what motivates them to have their own business and what their mission statements are. They will also conduct a self-evaluation of their venture's strengths and weaknesses and be prompted to think ahead, providing a set of goals they wish to accomplish in a short, medium and long-term period of time.

The goal of this first module is to create, or reinforce, a sense of empowerment through self-awareness. Why they decided to become business owners, what drives them and where they want to go are basic questions that need to be answered in order to understand where the organization stands, and develop a plan that outlines potential routes to achieve future milestones.

Module B: Know your user. Since *punto.*'s approach is user-centered, there needs to be special emphasis on clarifying the difference between users and market. After these concepts are clearly stated, participants will identify their users and describe them, analyzing tendencies that currently drive their decision process.

Additionally, a competition analysis will be required and recorded in a competitive matrix, where participants will be able to view similarities and differences within their industry category. This particular exercise will also help business owners identify existing gaps in the market, thus discovering potential areas in which to enter or innovate.

Module C: Why design? The previous modules during day 1 explore, analyze and discover features that are somehow familiar to participants. This specific module will introduce participants to design as a business tool that drives innovation.

First, **punto.** will present design to participants as a way of integrative thinking, rather than just a field of study; examples of real life applications will be presented in order to convey the importance that a design mindset brings to business.

Then, innovation will be illustrated using examples similar to Doblin's model. (See Figure 4-4) The goal is for participants to grasp a comprehensive approach on innovation by realizing the diverse processes it can impact, viewing it as a tool that can be implemented in several levels of the organization.

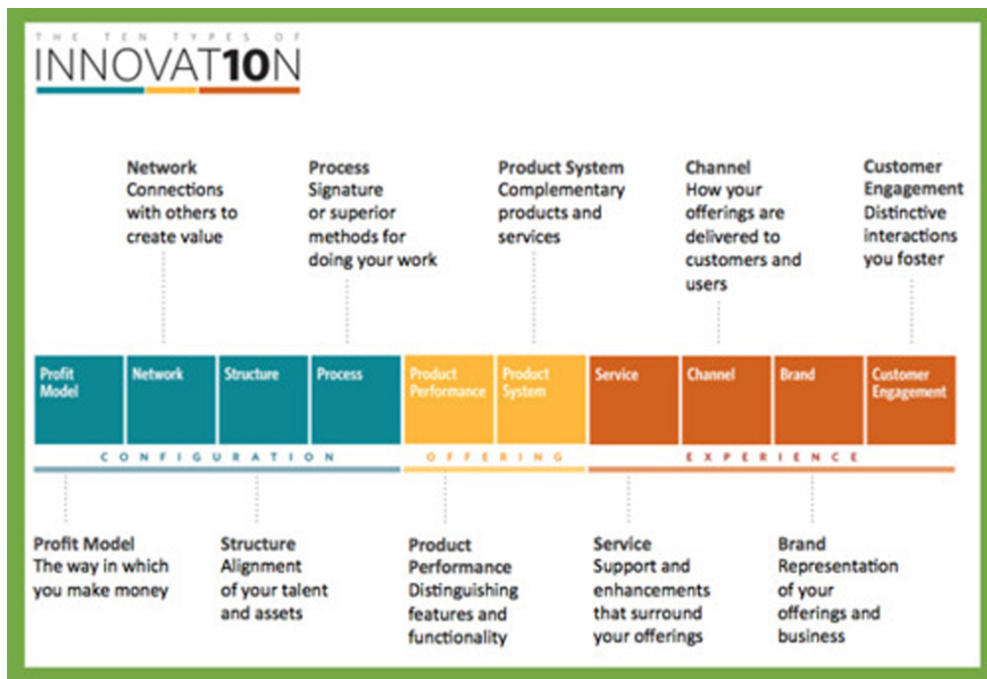


Figure 4-4: 10 types of innovation. Framework model by © 2012 Doblin, all rights reserved.

Module C will conclude with the unveiling of a main concept, present throughout *punto.*'s training program in all stages: transformation design. This term was first put into practice in 2004, when The Design Council created RED: a project that challenged to transform public services through design thinking and co-creation practices.

The outcomes of Day 1 are meant to provide participants with concrete ideas on their user needs and areas they need to innovate in their businesses. They will then take these insights and implement design tools through co-creation methods during Day 2.

4.2.2 Day 2: Do Design

In order for small-sized business owners and entrepreneurs to do design, it is essential to count on their active involvement and participation throughout the design training process, with the design team at *punto.* as their guides.

Day 2 will empower and challenge participants to transform their ideas into outlined tangible solutions. They will also learn about the importance of testing prototypes in order to acquire users' feedback and develop better product and/or service models. (See Figure 4-5)

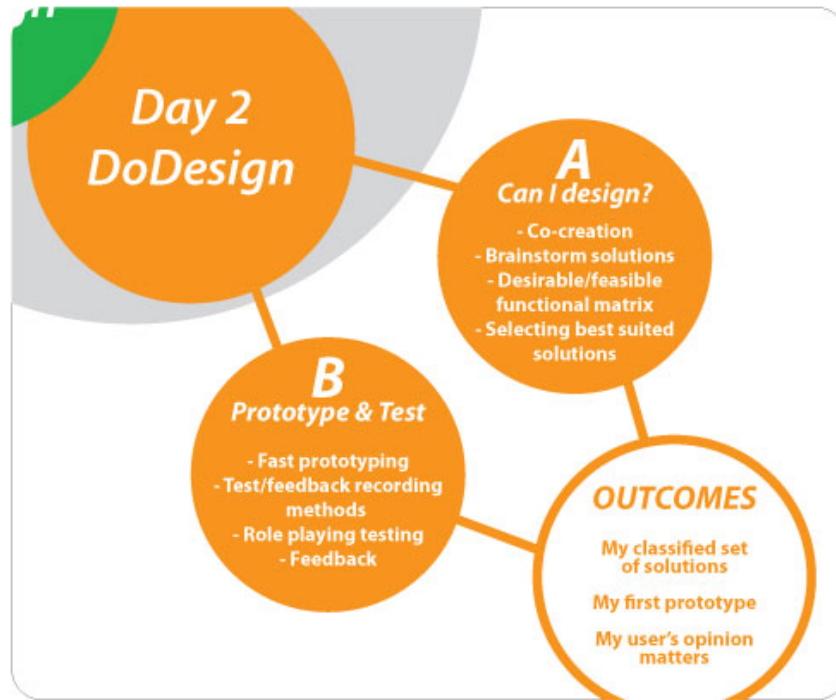


Figure 4-5: Day 2. Do Design. Participants take the findings from Day 1 and create outlines to tangible solutions.

Module A: Can I design? The design team will introduce co-creation as a key concept for participants in the design process; introducing designers as guides and active collaborators to achieve business transformation will be highlighted as an essential component in order to complete Day’s 2 main goal: Do Design.

The analysis on types of innovation from Day 1 will allow for a brainstorm exercise, in which participants and designers will create an unrestricted list of possible solutions for the previously identified areas to innovate in. This free flow of ideas will be filtered into a matrix of desirable, feasible and functional concepts, from which those that can be implemented in the organization will be selected to be further advanced in the training program.

Module B: Prototype & test. Fast prototyping will be introduced in order for participants to portray their identified solutions into tangible/testable models. Participants will work with a member of the design team to create prototypes that convey concepts through a palpable representation that users can understand and give feedback on. Emphasis will be made on the unfinished look of rapid prototyping; entrepreneurs must feel comfortable to visually express their ideas, keeping in mind fast prototyping is the first step of several iterations in the design process.

Basic recording methods for testing and gathering feedback will be presented and participants will be assigned work groups to engage in a role-playing exercise, where entrepreneurs will test their prototypes on one another, recording the testing process and gathering information from each other's observations on the experience.

By the end of Day 2, participants will have a classified set of solutions, where they can differentiate between actionable ideas and long-term goals that need further planning and consideration. In addition, creating their first prototype and learning about recording and analyzing users' feedback is meant to give entrepreneurs a set of basic tools they can apply in order to gain concrete insights on ways to constantly improve their product and/or service.

4.2.3 Day 3: Be Design

By the closing day of Stage 1, participants should have acquired an understanding on design thinking and how to apply design methods to improve their businesses. Co-creation, prototyping and feedback must be basic elements gathered from the workshop, and model iterations should be already under consideration.

During Day 3, participants will develop presentations on their global findings and *punto*'s online community will be introduced: a tool for extended feedback and participation for businesses that have gone through the training program. (See Figure 4-6)

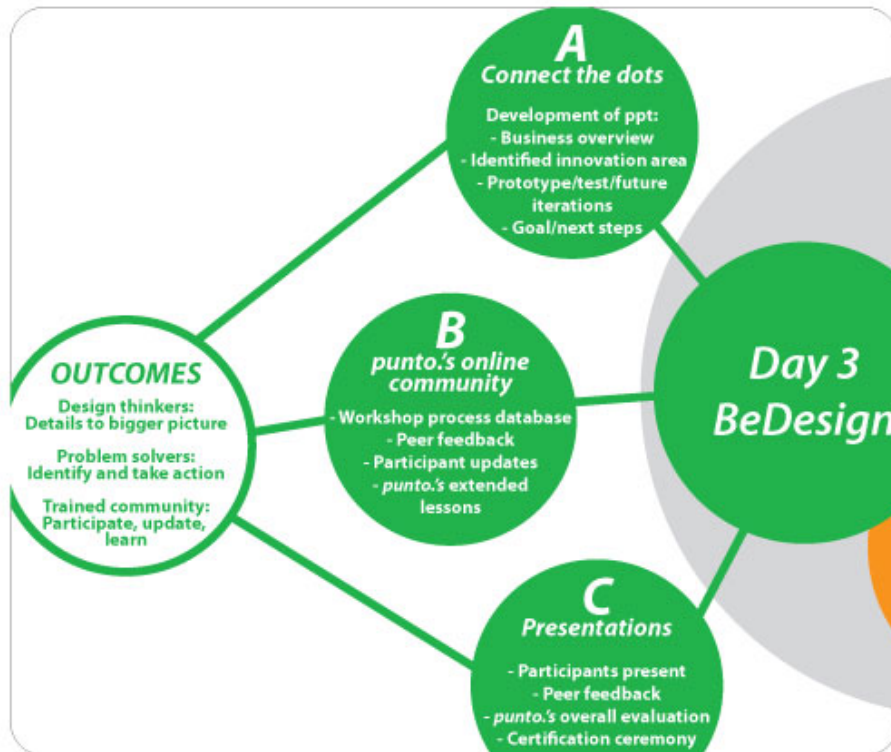


Figure 4-6: Day 3. Be Design. Participants present their findings and are introduced to *punto*.’s online community.

Module A: *Connect the dots*. With the guidance of a design team member, participants will learn how to present their research and design findings in a relevant and compelling way. Through this process they will also learn which information is key to include for the development of their objectives, and what are the following steps in order to achieve such goals.

Module B: *punto*.’s online community. After presentations are created, *punto*. will introduce its online community for participants to have access to the workshop

process database, in case they want to go back and review concepts of methods and processes demonstrated during the training. They will also be able to ask for extended peer feedback through an open forum, where members can continue to share their progress and experiences on design and innovation after the workshop.

Furthermore, *punto.*'s design team will make use of the online community to provide business owners with access to news about design related topics, and also to create opportunities to participate in design project initiatives. Moreover, members will be able to make requests online about extended lessons on specific issues. These petitions will be considered to create further training programs or articles, and will be available on demand via electronic newsletters, videos and face-to-face seminars or workshops if needed.

Module C: Presentations. Each workshop participant will present his/her research findings and the design plan created for further development in *punto.*'s next stages. Fellow business owners will provide feedback, and an overall evaluation and a Stage 1 certificate from *punto.* will be given to each entrepreneur.

By the conclusion of Stage 1 in *punto.*'s training program, small-sized business owners and entrepreneurs will have a design plan that provides a broader understanding about their businesses, areas they need to innovate in and their user's needs; these breakthroughs will guide them through the next stages in the program. But most importantly, participants will have taken the first step towards becoming part of a community of design-trained businesses, design thinkers, and problem solvers.

4.3 Next stages

As previously stated, *punto.*'s training program consists of three stages out of which this thesis project develops the first one. In order to deliver a comprehensive assimilation of the entire process, goals and deliverables from the following stages are described in this section.

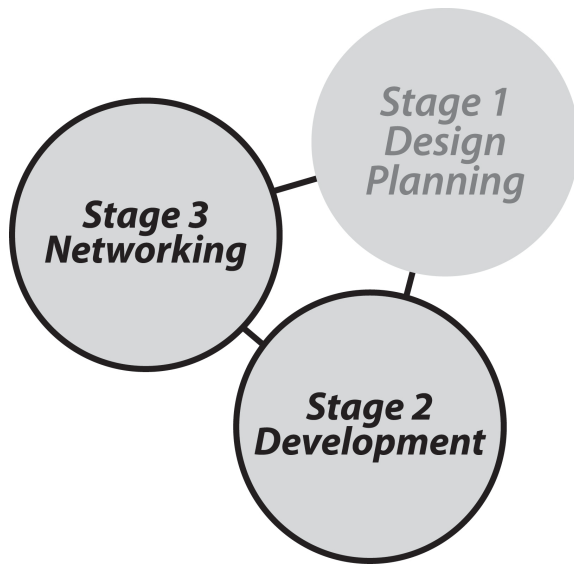


Figure 4-7: Stages to be developed on *punto.*'s training program.

The design plan from Stage 1 will be essential in creating and organizing training elements for the development stage. One of the main characteristics of Stage 2 will be the need for specialized workforce to implement the training process; *punto.*'s design team will have to analyze overall outcomes from Stage 1 in order to have ready resources that meet participants' needs when further developing their product/service identified innovation.

Completion of Stage 2 will provide a more advanced version of the design prototype and will also integrate complementary design tools to facilitate the placement and introduction of the new concept into the market.

By this point in *punto.*'s design training program, business owners and entrepreneurs will have a well-rounded understanding about the impact of design thinking in discovering innovation. They will have acquired design thinking tools, experience and an active participation in their ventures' innovation development.

At this point, Stage 3 will be introduced into the program, creating a bridge between what entrepreneurs can accomplish on their own and the links they will need to advance their individual projects and goals. This stage will provide participants with information on how to use networking tools to advance their business objectives.

During Stage 3, the design team will also work with business owners in the creation of an overall presentation of the journey they embarked on to implement design innovation elements in their organizations. The goal is to provide participants with the opportunity to present their offering to potential partners, customers or investors.

4.4 Marketing plan summary

For the purposes of this thesis project, a summarized version of the marketing plan is presented. The main strategies to introduce and sell *punto.* will be: A. Direct selling to distribution channels, and B. Direct appeal to customers.

A. Direct selling to distribution channels. The objective of this strategy is to get a hold of organizations with on-going projects that work towards the development of small-sized businesses, introducing *punto.'s* training as a valuable addition to their current tools and workshops. Additionally, the training will be presented to universities that have design and business programs in order to target potential entrepreneurs; *punto.* will offer an integrative approach to these programs, representing added value for those universities providing the workshops.

Contact has already been established with some NGOs and current projects during the research process of this thesis, but will have to be renewed and improved in order to

present *punto.*'s training model and the advantages it will bring to both participants and the institutions providing it.

B. Direct appeal to customers. Approaching small-sized businesses and entrepreneurs directly might represent a challenge at first, which is why creating traction in the market will primarily be achieved through distribution channels.

Nevertheless, *punto.* will be actively seeking opportunities to gain exposure by participating in local entrepreneurial events, fairs and expositions where target customers might be present. Furthermore, former participants will be prompted to “spread the word” about *punto.* and will receive incentives when they refer new customers who subscribe to the training program.

4.5 Preliminary financials

Since this thesis project was created for implementation in a real setting, it is important to have a general idea on the financial aspects of *punto.* This particular area will need further development; consulting from an expert in the field will be required.

According to *Portal de Microfinanzas, Honduras* there are around 300,000 micro, small and medium-sized businesses in Honduras; to calculate *punto.*'s potential market, only the 23,000 small-sized businesses in Tegucigalpa (capital city of Honduras) will be considered. Since only 15% of these businesses have access to the internet, the potential number of clients for *punto.*'s training program is reduced to 3,450 customers.

This section provides preliminary calculations for expenses and income statements based on information gathered from the remote research conducted. It is important to note this investigation will acquire more accurate results once regional resources become accessible for the researcher.

START-UP EXPENSES

	UNIT PRICE	AMOUNT	TOTAL
COMPUTERS	\$400	5	\$2,000
DIGITAL CAMERAS	\$105	5	\$525
WHITEBOARDS	\$95	5	\$475
		TOTAL	\$3,000

DETAILED INCOME STATEMENT

	TRAINING SUBSCRIPTION (3 WORKSHOPS)	PARTICIPANTS		TOTAL
SALES	\$300	15		\$4,500
			TOTAL SALES	\$4,500
EXPENSES				
Room				\$0

Equipment Rental				\$100
Materials				\$200
SALARIES	SALARY/HOUR	DESIGNERS	HOURS/TRAINING	
Project Manager	\$30	1	72	\$2,160
Design Lead	\$20	1	72	\$1,440
Designer	\$10	2	27	\$540
			TOTAL EXPENSES	\$4,440
			PROFIT	\$60

INCOME STATEMENT

	1ST YEAR	2ND YEAR	3RD YEAR
ADDRESSABLE MARKET	3,450	3,450	3,450
MARKET SHARE	5%	7%	10%
# SUBSCRIPTIONS	173	242	345
SALES	\$51,900	\$72,600	\$103,500
EXPENSES (10 programs per year)	\$44,400	\$44,400	\$44,400
PROFIT	\$7,500	\$28,200	\$59,100

5. Conclusion

This thesis project attempts to become a tool to integrate design thinking into diverse areas of the organization. It is an effort in the creation of a new mindset, in which co-creation and design emerge as ways to identify innovation areas, helping to accomplish coherent solutions that meet real needs.

It is important to note that, due to time and budget limitations, there will be constraints on the number of iterations and level of development achieved on each stage of *punto.*'s training program. This project has to be part of an on-going process of design and innovation for each business that goes through the program.

Furthermore, this project aims to give a different perspective on the way to approach entrepreneurship in the Central American region, hoping to increase success possibilities for small-sized businesses and entrepreneurs.

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7. Appendices

Interview questions – Small-sized business owners and entrepreneurs

1. What sparked/motivated you to start your own business?
2. What are/were your main worries/obstacles?
3. What is your company's philosophy/mission statement?
4. Current stage of company's development - ideal situation (5 years ahead)
5. What tools do you expect design could provide for your company?

Interview questions – NGO and government on-going project representatives

1. Do you have a producer-investor network in place? If so, how does it work?
2. What kind of workshops do you offer for small producers?
3. Do you follow up on the producer's progress? (Monitoring)
4. Are there any networks/databases out there you use as a guide?

Edited interviews video link

<http://www.youtube.com/watch?v=Jkis7A0TFP8&feature=youtu.be>

Final presentation link

<http://prezi.com/r8sl14y-sb5h/majos-thesis-project-punto/>